CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD LAHONTAN REGION

2501 Lake Tahoe Boulevard, South Lake Tahoe, CA 96150

NOTICE OF CONTINUED PUBLIC HEARING

Concerning

CONSIDERATION OF AN ADMINISTRATIVE CIVIL LIABILITY

Concerning

C. GEOFFREY AND CHRISTINE DAVIS, HANS AND MARGARET COFFENG, AND PACIFIC BUILT, INC.

Placer County

The California Regional Water Quality Control Board, Lahontan Region (hereafter Lahontan Water Board), will continue the hearing on the above matter during its regular meeting on October 11-12, 2006.

IMPORTANT: WRITTEN COMMENTS ON THE SEPTEMBER 11, 2006
PROPOSED SETTLEMENT OF ADMINISTRATIVE CIVIL LIABILITY AND ON
THE PROPOSED ORDER ACCEPTING THE SETTLEMENT ARE DUE BY
OCTOBER 11, 2006. THE WRITTEN COMMENT PERIOD ON THE SECOND
REVISION TO THE PROPOSED ADMINISTRATIVE CIVIL LIABILITY ORDER
DATED JULY 11, 2006, CLOSED ON JULY 20, 2006.

BACKGROUND

The Assistant Executive Officer of the Lahontan Water Board issued a Complaint for Administrative Civil Liability in the amount of \$700,000 to C. Geoffrey and Christine Davis, Hans and Margaret Coffeng, and Pacific Built, Inc. The Administrative Civil Liability Complaint alleges that on July 19, 2005, Pacific Built, Inc., a contractor hired by Hans and Margaret Coffeng and C. Geoffrey and Christine Davis to construct a multiple use pier, punctured a 14-inch sewer force main while driving a pile for pier support. The Administrative Civil Liability Complaint also alleged that a minimum of 120,000 gallons of untreated wastewater was discharged into Lake Tahoe.

On May 11, 2006, the Lahontan Water Board held a hearing on the matter. At the hearing, all designated parties presented evidence, cross-examined witnesses and presented closing statements. Prior to the close of the portion of the hearing during which testimony was accepted, and in response to the evidence presented at the hearing, the Lahontan Water Board Prosecution Team indicated that it was modifying the amount of the maximum liability and the liability it was seeking in the Complaint. The Lahontan Water Board continued the hearing and requested that the Lahontan Water Board Prosecution Team prepare and circulate a revised proposed Administrative Civil Liability Order. On June 16, 2006, the Lahontan Water Board

Prosecution Team released a revised proposed Administrative Civil Liability Order recommending an administrative civil liability of \$325,000. On July 11, 2006, the Lahontan Water Board's Advisory Team released a second revised proposed Administrative Civil Liability Order.

During the July 26, 2006 Lahontan Water Board meeting, the Davis', Coffengs and Pacific Built requested that the Water Board delay its deliberation on the evidence to allow them to develop and propose a settlement. The Lahontan Water Board continued the matter to its October 2006 meeting. On September 11, 2006, the Lahontan Water Board Prosecution Team released a proposed settlement for comment.

PURPOSE OF THE HEARING

The parties named in the Complaint have not waived their right to a hearing. The Lahontan Water Board will be asked to consider accepting the proposed settlement of Administrative Civil Liability Complaint No. R6T-2005-0029. The proposed settlement consists of: a \$26,840 payment into the State Waste Discharge Permit Fund; and, a supplemental environmental project consisting of purchasing an emergency bypass hose reel system at a cost of \$298,160. The Lahontan Water Board may propose revisions to the proposed settlement.

If the Lahontan Water Board rejects the proposed settlement, it will consider whether to issue an order imposing the proposed administrative civil liability to C. Geoffrey and Christine Davis, Hans and Margaret Coffeng, and/or Pacific Built, Inc., in the amount of \$700,000 or the amount in the second revised proposed Administrative Civil Liability Order (\$325,000), some different amount, or to reject any proposed order. The Lahontan Water Board may consider assessing liability in different amounts for each party after considering the factors in Water Code section 13327, including ability to pay, the effect on the ability to continue business, any voluntary cleanup efforts undertaken, any prior history of violations, the degree of culpability, and economic benefit, if any.

HEARING DATE, TIME AND LOCATION

A **continuation of the formal public hearing** concerning this matter will be held during the Lahontan Water Board meeting, which is scheduled for:

DATE: October 11-12, 2006

TIME: 1:30 p.m. – October 11, 2006

8:30 a.m. - October 12, 2006 (if needed)

PLACE: North Tahoe Conference Center

8318 North Lake Blvd. Kings Beach, CA 96143

An agenda announcement for this meeting is available. This announcement provides more specific information about the date and time of this hearing. The formal public hearing on this matter will not begin before 7:00 p.m. on October 11, 2006. The announcement has been sent to all designated and known interested parties and is available at: http://www.waterboards.ca.gov/lahontan.

DESIGNATED PARTIES

Designated Parties are as follows:

- Lahontan Water Board Staff
- C. Geoffrey and Christine Davis & Hans and Margaret Coffeng
- Pacific Built, Inc.

CONDUCT OF HEARING

The procedures governing Lahontan Water Board meetings may be found in the California Code of Regulations, title 23, section 648 et seq. Hearings before the Lahontan Water Board are not conducted pursuant to Government Code section 11500 et seq. The procedures may be obtained by accessing http://www.waterboards.ca.gov/water_laws/. Information on meeting and hearing procedures is also available by contacting Ms. Laurie Applegate at (530) 542-5414.

At the May 11, 2006 Lahontan Water Board meeting, the Lahontan Water Board continued the hearing for the purpose of deliberating on the evidence, considering a revised proposed order, and receiving and considering comments on a revised proposed order. Therefore, it is not expected that the Lahontan Water Board will accept any further evidence or testimony on this matter. At the July 26, 2006 Lahontan Water Board meeting, the designated parties requested that the Water Board continue the matter to a future meeting to allow them to develop and propose a settlement. At the continued hearing, the Lahontan Water Board will initially consider the proposed settlement. If the Lahontan Water Board rejects the proposed settlement, it will review the second revised proposed order for Administrative Civil Liability, written and oral comments on the second revised proposed order for Administrative Civil Liability, and will deliberate on the evidence presented at the May 11, 2006 Lahontan Water Board meeting.

Consideration of Proposed Settlement

Each of the three designated parties will have **10 minutes** to present its position on the proposed settlement of administrative civil liability, including the proposed order accepting the settlement. Interested persons will have **5 minutes** to comment on the proposed settlement of administrative civil liability, including the proposed order accepting the settlement.

Deliberation on the Evidence (If proposed settlement is rejected)

Each of the three designated parties will have **30 minutes** to present (summarize) its comments on the second revised proposed Administrative Civil Liability Order and to provide a closing statement. Interested persons will have **5 minutes** to comment on the second revised proposed order for Administrative Civil Liability.

There may be one or more breaks at the discretion of the Chair.

SUBMISSION OF WRITTEN MATERIALS

Designated parties and interested persons may submit (see next section for instructions) to the Lahontan Water Board and to all designated parties, comments on the proposed settlement and on the order accepting the settlement. The Lahontan Water Board must receive these comments by **2:00 p.m. on October 11**, **2006**. This material will be made available to the Lahontan Water Board members.

Written comments received after the October 11, 2006 deadline and additional evidence will not be accepted, except at the discretion of the Chair. Untimely written material will not be accepted or incorporated into the administrative record if doing so would prejudice any designated party. The Chair may choose to modify this rule upon a showing of severe hardship. (Cal. Code Regs., tit. 23, §§ 648.1 & 648.4.) Any person seeking to submit late evidence must justify why the evidence could not have been submitted earlier.

INSTRUCTIONS FOR SUBMITTING DOCUMENTS

Copies of all written comments on the proposed settlement of administrative civil liability or on the order accepting the settlement must be sent to:

For the Lahontan Water Board:

Originals of all documents to:	And one copy to:
Harold J. Singer	David P. Coupe, Esq.
Executive Officer	Staff Counsel
Regional Water Quality Control Board,	State Water Resources Control Board
Lahontan Region	Office of Chief Counsel
2501 Lake Tahoe Boulevard	1001 I Street
South Lake Tahoe, CA 96150	Sacramento, CA 95814

For Lahontan Water Board Staff:

Originals of all documents to:	And one copy to:
Robert S. Dodds	Steven H. Blum, Esq.
Assistant Executive Officer	Senior Staff Counsel
Regional Water Quality Control Board,	Office of Chief Counsel
Lahontan Region	State Water Resources Control Board
2501 Lake Tahoe Boulevard	1001 I Street
South Lake Tahoe, CA 96150	Sacramento, CA 95814

For C. Geoffrey and Christine Davis, Hans and Margaret Coffeng:

Originals of all documents to:	And one copy to:
Mark D. Hudak, Esq.	Mr. James R. Donahue, Esq.
Carr McClellan Ingersoll Thompson &	Rebecca Hamilton, Esq.
Horn	Caulfield Davies & Donahue
216 Park Road	P.O. Box 277010
Burlingame, CA 94010	Sacramento, CA 95827-7010

For Pacific Built, Inc.:

Originals of all documents to:	And one copy to:
Drew Briner, Esq.	Bruce L. Shaffer, Esq.
P.O. Box 1880	Paul C. Clauss, Esq.
Tahoe City, CA 96145	Lewis Brisbois Bisgaard & Smith LLP
	2500 Venture Oaks Way, Suite 200
	Sacramento, CA 95833

You must submit hard copies of all written comments on the proposed settlement that you want to provide to the Lahontan Water Board members.

Anyone having questions on the Administrative Civil Liability Complaint, the revised proposed order for Administrative Civil Liability, the proposed settlement or other related documents should contact Robert S. Dodds at (530) 542-5410. Interested parties may download the above listed and related documents from the Lahontan Water Board's website at www.waterboards.ca.gov/lahontan. If you do not have Internet access or would like to receive a hardcopy of these documents, these documents may be inspected and copied at the Lahontan Water Board's office, Monday through Friday, excluding holidays, between 8:00 a.m. and 5:00 p.m. or you may request a copy to be mailed to you by telephoning Laurie Applegate at (530) 542-5414.

HEARING FACILITIES

The hearing facilities will be accessible to persons with disabilities. Individuals requiring special accommodations are requested to contact Ms. Laurie Applegate at (530) 542-5414 at least five (5) working days prior to the hearing. TTY users may contact the California Relay Service at 1-800-735-2929 or voice line at 1-800-735-2922.

Please bring the above information to the attention of anyone you know who would be interested in this matter.

Dated: September 22, 2006

Harold J. Singer Executive Officer